



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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JAN 09 2012

Ref: 8EPR-N

Mr. Scott G. Fitzwilliams, Forest Supervisor
c/o Don Dressler
White River National Forest
P.O. Box 190
Minturn, CO 81645

RE: EPA Comments on Draft Environmental
Impact Statement, Beaver Creek Mountain
Improvement Project; CEQ #20110397

Dear Mr. Fitzwilliams:

In accordance with our responsibilities under the National Environmental Policy Act (NEPA), 42 U.S.C. Section 4321, *et seq.*, and Section 309 of the Clean Air Act, 42 U.S.C. Section 7609, the U.S. Environmental Protection Agency Region 8 (EPA) has reviewed the November 2011 Draft Environmental Impact Statement (DEIS) for the Beaver Creek Mountain Improvement Project. This DEIS was prepared by the Eagle/Holy Cross Ranger District of the U.S. Department of Agriculture Forest Service (USFS) White River National Forest to analyze potential environmental impacts associated with the proposed improvements to, and expansion of, terrain and finish areas to meet International Ski Federation requirements for alpine race events and to improve on-mountain guest services in preparation for hosting the 2015 International Ski Federation World Alpine Ski Championships (2015 World Championships).

Project Description and Background

The Beaver Creek Mountain Improvement Project Area is located in the White River National Forest at the Beaver Creek Resort, which is near the town of Avon in Eagle County, Colorado. Beaver Creek operates under a Forest Service Special Use Permit (SUP) issued to Beaver Creek Associates (a subsidiary of Vail Associates, Inc.). The proposed project includes improving/expanding terrain and racecourse finish areas for men's and women's alpine race events; improving on-mountain guest services to accommodate the public throughout the year and during race events; and responding to infrastructural deficiencies related to race storage, water delivery, and wastewater.

A summary of the two alternatives analyzed in detail in the DEIS follows.

- Alternative 1 (No Action) would be a continuation of existing management practices without changes, additions, or upgrades to existing conditions.
- Alternative 2 (Proposed Action) would result in temporary or permanent impacts to

approximately 52 acres in the Beaver Creek Resort SUP area, and would include the following:

- Race terrain projects, including construction of new women's downhill and giant slalom courses and improvements to the existing men's racecourse, along with the associated snowmaking infrastructure, connector and access trails;
- Racecourse finish area projects, including re-grading the entire Red Tail Camp finish area, replacing/realigning the culverted portion of Westfall Creek that runs through Red Tail Camp area and culverting a new 150-foot stretch of Westfall Creek, relocating existing utility lines, and expanding the media compound;
- Guest services projects, including relocating/replacing the Red Tail Camp with a larger building to increase capacity; and
- Infrastructure projects, including installing a storage facility, constructing a new 150,000 gallon water tank and pump station, installing a new water line, upgrading an existing water line, and installing 3,000 feet of new sewer line.

Key Issues Identified by EPA

In a January 27, 2011 letter, EPA provided scoping comments for this project. We appreciate that many of our scoping comments were addressed in the November 2011 DEIS; however, we do have remaining concerns related to disclosure and/or mitigation of project impacts to: (1) aquatic resources and (2) air quality. These concerns are the basis for EPA's "EC-2" rating discussed at the conclusion of this letter.

(1) Aquatic resources in the project area should be fully described and any impacts mitigated.

EPA considers protection of aquatic resources, including water quality, hydrology, wetlands, and riparian areas, to be among the most critical issues to be addressed in any NEPA analysis for projects in mountain areas where shorter growing seasons and low night time temperatures contribute to difficult mitigation of alpine impacts. Generally, the DEIS provides well-reasoned project design criteria (PDCs) and Best Management Practices (BMPs) to minimize impacts to aquatic resources. However, we recommend a more thorough characterization of existing aquatic resources, including photographs to document baseline conditions in the proposed project area, as well as additional mitigation measures, where possible, as discussed in more detail below.

Wetlands: We appreciate the inclusion of PDCs and BMPs to protect sensitive soils, wetlands, and riparian areas, and project design specifications to avoid and minimize impacts to wetlands wherever possible, as required by Executive Order 11990, Protection of Wetlands. We suggest expanding the PDCs and BMPs to ensure that wetlands are protected to the greatest extent possible. Additional mitigation measures for consideration may include the following:

- Re-vegetate with removed shrubs and mats of herbaceous cover (carefully stockpiled on-site) and appropriate high altitude wetland seed species as soon as possible after the disturbance. Monitor for five years to ensure successful re-vegetation of any impacted montane wetland areas.
- Use bulkheads/box structures to minimize disturbance area from side casting and trench width.
- Use fabric or hay layers to protect existing vegetation from stockpiled dredged material and to mark existing contours.

In particular, we recommend additional mitigation measures for loss of wetlands functions from vegetation removal in Wetland #4. Willow plugging/revegetation in other areas in the watershed should be available to enhance vegetative and habitat functions lost through trail clearing activities. In addition, we support the proposed removal of culverted sections of Westfall Creek and recommend that the proposed culvert section be removed during summer months as practiced in other Vail Associates resorts with drainages located near base areas.

Further, the proposed action would include installing a new water line, upgrading an existing water line and installing 3,000 feet of new sewer line, as well as expanding the snowmaking infrastructure. It appears that wetlands and riparian areas will be avoided by these projects; however, we recommend that the Final EIS (FEIS) disclose surface disturbance impacts to wetlands or riparian areas that would result from the proposed installation of these utility and snowmaking infrastructure upgrades, including:

- location and amount of pipe proposed in wetlands and riparian areas (if applicable);
- width and depth of the necessary trenches;
- location on which the soil from the trench would be temporarily stored; and
- amount of wetland soil compaction expected from related installation equipment.

Additional PDCs, such as measures to prevent drainage of adjacent wetlands from trench design (e.g., cutoff collars), may be beneficial.

Impaired Waterbodies: We recommend the FEIS include a discussion of any Clean Water Act (CWA) Section 303(d) impaired or threatened waterbody segments within, or downstream of, the project area. If there are none, then that should be so noted. The Colorado Department of Public Health and Environment (CDPHE) can identify/validate any such CWA Section 303(d) listed waterbodies potentially affected by the project. If CWA Section 303(d) listed waterbody segments occur within, or downstream of, the proposed project area, then we recommend that the FEIS describe how approval of the proposed project might affect these waterbodies, particularly the water quality parameters causing the CWA Section 303(d) listing. Proposed activities in the drainages of CWA impaired or threatened streams must be consistent with any Total Maximum Daily Load the State may have developed for the listed waterbody. We recommend that mitigation or restoration activities be included to reduce existing sources of pollution, and to offset or compensate for project impacts.

Water Quality Data: In addition to the water yield and stream health evaluations provided in the DEIS, we recommend the FEIS include a more thorough disclosure of baseline conditions given the numerous streams in, and downstream of, the project area. We understand the difficulty in providing water quality data for a large project area; however, such data would provide a baseline for future monitoring of impacts and evaluating of potential influence on downstream water quality. We recommend the FEIS provide a summary of available information and monitoring data on water quality for the project area, including water to be used for additional snowmaking and snowmelt receiving waters. Critical parameters to include are those of interest for any impaired waterbodies within or downstream of the project area. Identification of any significant gaps in data may be helpful in developing the project monitoring plan. Given the special resource values of the area, we believe a water quality monitoring plan would be beneficial in efforts to achieve and/or maintain desired future conditions.

(2) Air quality impacts from increased air emissions associated with the proposed project should be fully evaluated and disclosed.

The town of Avon and a mandatory Class I Federal area, Eagle's Nest Wilderness Area, are located near the proposed project area. In addition to health-based standards to protect ambient air quality, the Clean Air Act requires special protection of visibility in Class I Federal areas.

Applicable Regulations: We note that Table 3E-1, National Ambient Air Quality Standards (NAAQS) for Criteria Pollutants, was prepared based on a May 28, 2010 access date to EPA's NAAQS web site. We recommend updating this table, particularly for sulfur dioxide, as there have been some changes since that time. See <http://www.epa.gov/air/criteria.html>.

In addition, we recommend the Mobile Source Air Toxics (MSATs) Regulations section be expanded to provide a more thorough public disclosure of the possible health concerns associated with the six prioritized MSATs. Such a disclosure would include toxicity information from the Weight of Evidence Characterization summaries in EPA's Integrated Risk Information System database, which represents our most current evaluations of the potential hazards and toxicology of these MSATs. See <http://www.epa.gov/iris/>.

Baseline Data: We note that the DEIS provides a qualitative discussion of existing ambient air quality in the area and identifies sensitive receptors, such as Eagle's Nest Wilderness Area (a Class I Federal area approximately 8 miles to the north) and Holy Cross Wilderness Area (a sensitive Class II area approximately 2 miles to the south). To more fully characterize baseline conditions, we recommend that the FEIS include air quality trends at the nearby Class I area over the past several years. Such data are readily available from the Colorado Department of Public Health and Environment (CDPHE) and/or the EPA AirExplorer web site (<http://www.epa.gov/airexplorer/>). Information regarding current conditions will be an important tool for monitoring the impacts of future project activities.

Impacts: The DEIS notes that no long-term air quality impacts are expected as a result of the proposed project and short-term impacts from fugitive dust, construction equipment and on-site burning would be addressed through BMPs to minimize impacts. We note that the Traffic, Parking and Ski Area Access analysis, beginning on p. 3-12, provides annual average daily traffic (AADT) and level of service (LOS) metrics for Beaver Creek's normal operations. However, no information is provided for AADT and LOS in relation to the 2015 World Championships' impacts on the pertinent I-70 intersections that service the Beaver Creek area. For the purpose of public disclosure, we recommend the FEIS contain an expanded analysis to specifically address the anticipated AADT and LOS levels and impacts that would result from implementation of the proposed project for the peak two-week timeframe of the 2015 World Championships. For an example of public disclosure of this type of information, see Section 4.16, "Transportation and Traffic," of the Bureau of Land Management's "Over-The-River" project EIS (http://www.blm.gov/co/st/en/fo/rgfo/planning/otr/otr_final_eis/otr_final_eis_documents.html). Note the "Over-The-River" project is also designed for a two-week visitation period.

We support the PDCs and BMPs related to dust, construction equipment, on-site burning, traffic, and parking. To reduce impacts, we recommend consideration of the following additional measures:

- Require reduced fee and/or free shuttle services for skiers, workers and event attendees;

- Require extensive promotion of shuttle services, including regularly scheduled service to/from Denver and Eagle County airports and area lodging;
- Prohibit unnecessary idling of construction equipment;
- Use low-sulfur or alternative fuels in construction vehicles; and
- Monitor re-vegetation of disturbed areas for five years to ensure success.

Other Issues

Documentation of the U.S. Fish and Wildlife Service's recommendations will be a valuable addition to the FEIS.

The DEIS identifies the Canada lynx, an Endangered Species Act (ESA)-listed threatened species, and the ESA-listed endangered Colorado River fish (humpback chub, Colorado pikeminnow, razorback sucker and bonytail) as likely to be adversely affected by the proposed project. Table 2-1, Project Design Criteria and Best Management Practices, contains measures to reduce impacts to these special status species; however, it is unclear how a commitment to promoting and implementing these measures will be ensured. We recognize that USFS will discuss these criteria and practices with the U.S. Fish and Wildlife Service (USFWS). Documentation of USFWS's consultation and recommendations for PDCs, mitigation, and monitoring will be a valuable addition to the FEIS.

Assumptions regarding percentages of destination visitors versus day visitors must be adequately explained and justified given the associated implications for resource impacts.

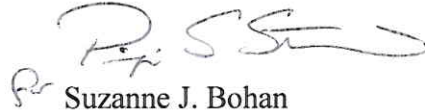
The DEIS relies on an assumption that spectators for the 2015 World Championships will follow Beaver Creek's "usual" visitation pattern of 80% destination visitors and 20% day visitors. Given the unusual nature of this international event, it is unclear whether this is a reasonable assumption. More daily vehicle trips could potentially result in more impacts to air, aquatic and wildlife resources. We recommend that the FEIS expand discussion on the USFS rationale that the 80% - 20% split for destination versus daily visits is a reasonable assumption related to the 2015 World Championships.

EPA's Rating and Recommendation

Consistent with Section 309 of the CAA, it is EPA's responsibility to provide an independent review and evaluation of the potential environmental impacts of this project. Based on the procedures EPA uses to evaluate the adequacy of the information and the potential environmental impacts of the proposed action, EPA is rating this DEIS as Environmental Concerns – Insufficient Information (EC-2). The "EC" rating indicates that EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. The "2" rating indicates that EPA has identified additional information, data, analyses, or discussion that we recommend for inclusion in the FEIS. A full description of EPA's rating system is enclosed.

We appreciate the opportunity to review and comment on this DEIS and hope that our comments will assist you in further disclosing and reducing the environmental impacts of this project. If we may provide further explanation of our comments, please contact me at 303-312-6925, or your staff may contact Amy Platt at 303-312-6449.

Sincerely,

A handwritten signature in dark ink, appearing to read "S. J. Bohan", with a stylized flourish at the end.

Suzanne J. Bohan
Director, NEPA Compliance and Review Program
Office of Ecosystems Protection and Remediation

Enclosure

U.S. Environmental Protection Agency Rating System for Draft Environmental Impact Statements

Definitions and Follow-Up Action*

Environmental Impact of the Action

LO - - Lack of Objections: The Environmental Protection Agency (EPA) review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC - - Environmental Concerns: The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce these impacts.

EO - - Environmental Objections: The EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no-action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

EU - - Environmentally Unsatisfactory: The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

Adequacy of the Impact Statement

Category 1 - - Adequate: EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis of data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2 - - Insufficient Information: The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses or discussion should be included in the final EIS.

Category 3 - - Inadequate: EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the National Environmental Policy Act and or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

* From EPA Manual 1640 Policy and Procedures for the Review of Federal Actions Impacting the Environment. February, 1987.

